LEO MILLER & ASSOCIATES, INC.

(606) 573-4300

P.O. BOX 488
HARLAN, KENTUCKY 40831

FAX (606) 573-6722

May 22, 2008

Division of Water
14 Reilly Road
Frankfort, Kentucky 40601

RE: Nally & Hamilton Enterprises, Inc.
DSMRE #848-0211, Mill Branch #4
KPDES No. KY0106003
AI ID: 15547

Dear Mr. Ingram:

Based on your letter dated April 30, 2008, we have made the requested changes to the above referenced application.

Please contact our office if there are any questions.

Thank you,

Denham York

Denham York
Leo Miller & Associates, Inc.

KPDES FORM 1

AI: 1698

KENTUCKY POLLUTANT DISCHARGE ELIMINATION SYSTEM

DEC 27 2007

MAY 27 2008

PERMIT APPLICATION

This is an application to: (check one)

- ☐ Apply for a new permit.
- ☒ Apply for reissuance of expiring permit.
- ☐ Apply for a construction permit.
- ☐ Modify an existing permit.
  Give reason for modification under Item II.A.

A complete application consists of this form and one of the following:
Form A, Form B, Form C, Form F, or Short Form C

For additional information contact:
KPDES Branch (502) 564-3410

$240.00

I. FACILITY LOCATION AND CONTACT INFORMATION	AGENCY USE	0	1	0	1	9	9	1

A. Name of business, municipality, company, etc. requesting permit
Nally & Hamilton Enterprises, Inc.

B. Facility Name and Location	C. Facility Owner/Mailing Address
Facility Location Name: Mill Branch #4	Owner Name: Nally & Hamilton Enterprises, Inc.
Facility Location Address (i.e. street, road, etc.): Near the junction of Ky. 38 and Ky. 179	Mailing Street: P.O. Box 157
Facility Location City, State, Zip Code: Louellen, Kentucky	Mailing City, State, Zip Code: Bardstown, Kentucky 40004
	Telephone Number: 502-348-0084

II. FACILITY DESCRIPTION

A. Provide a brief description of activities, products, etc: Surface contour and auger mining (coal removal)

B. Standard Industrial Classification (SIC) Code and Description

Principal SIC Code & Description:	1221 Bituminous Coal & Lignite Surface Mining		
Other SIC Codes:			

III. FACILITY LOCATION

A. Attach a U.S. Geological Survey 7 ½ minute quadrangle map for the site. (See instructions)

B. County where facility is located: Harlan	City where facility is located (if applicable): Louellen
C. Body of water receiving discharge: Fugitt Creek	
D. Facility Site Latitude (degrees, minutes, seconds): 36-56-00	Facility Site Longitude (degrees, minutes, seconds): 83-01-58
E. Method used to obtain latitude & longitude (see instructions):	Topographic Map Coordinates
F. Facility Dun and Bradstreet Number (DUNS #) (if applicable):	07-133-3314 Nally & Hamilton Enterprises, Inc.

V. Intake and Effluent Characteristics

Part A

We are requesting a waiver in monitoring a. BOD, b. COD, c. TOC, e. N, g. Temperature (winter), h. Temperature (Summer) and i. pH.

PLEASE PRINT OR TYPE IN THE UNSHADED AREAS ONLY. You may report some or all of this information on separate sheets (use the same format) instead of completing these pages. (See instructions)

V. INTAKE AND EFFLUENT CHARACTERISTICS (Continued from page 3 of Form C) — **OUTFALL NO.** 848-0174 Pond #3

Part A – You must provide the results of at least one analysis for every pollutant in this table. Complete one table for each outfall. See instructions for additional details.

1. POLLUTANT	2. EFFLUENT a. Maximum Daily Value (1) Concentration	a. Maximum Daily Value (2) Mass	b. Maximum 30-Day Value (if available) (1) Concentration	b. Maximum 30-Day Value (if available) (2) Mass	c. Long-Term Avg. Value (if available) (1) Concentration	c. Long-Term Avg. Value (if available) (2) Mass	d. No. of Analyses	3. UNITS (specify if blank) a. Concentration	3. UNITS (specify if blank) b. Mass	4. INTAKE (optional) a. Long-Term Avg. Value (1) Concentration	4. INTAKE (optional) a. Long-Term Avg. Value (2) Mass	4. INTAKE (optional) b. No of Analyses
a. Biochemical Oxygen Demand (BOD)												
b. Chemical Oxygen Demand (COD)												
c. Total Organic Carbon (TOC)												
d. Total Suspended Solids (TSS)							1	16 Mg/L				
e. Ammonia (as N)												
f. Flow (in units of MGD)	VALUE		VALUE		VALUE		1	6.55 GPM	MGD	VALUE		
g. Temperature (winter)	VALUE		VALUE		VALUE				°C	VALUE		
h. Temperature (summer)	VALUE		VALUE		VALUE				°C	VALUE		
i. pH	MINIMUM	MAXIMUM	MINIMUM	MAXIMUM				STANDARD UNITS				

Part B - In the MARK "X" column, place an "X" in the Believed Present column for each pollutant you know or have reason to believe is present. Place an "X" in the Believed Absent column for each pollutant you believe to be absent. If you mark the Believed Present column for any pollutant, you must provide the results of at least one analysis for that pollutant. Complete one table for each outfall. See the instructions for additional details and requirements.

1. POLLUTANT AND CAS NO. (if available)	2. MARK "X"		3. EFFLUENT							4. UNITS		6. INTAKE (optional)		
	a. Believed Present	b. Believed Absent	a. Maximum Daily Value (1) Concentration	a. Maximum Daily Value (2) Mass	b. Maximum 30-Day Value (if available) (1) Concentration	b. Maximum 30-Day Value (if available) (2) Mass	c. Long-Term Avg. Value (if available) (1) Concentration	c. Long-Term Avg. Value (if available) (2) Mass	d. No. of Analyses	a. Concentration	b. Mass	a. Long-Term Avg Value (1) Concentration	a. Long-Term Avg Value (2) Mass	b. No. of Analyses
a. Bromide (24959-67-9)		X												
b. Bromine Total Residual		X												
c. Chloride		X												
d. Chlorine, Total Residual		X												
e. Color		X												
f. Fecal Coliform		X												
g. Fluoride (16984-48-8)		X												
h. Hardness (as $CaCO_3$)	X								1	385 Mg/L				
i. Nitrate – Nitrite (as N)		X												
j. Nitrogen, Total Organic (as N)		X												
k. Oil and Grease		X												
l. Phosphorous (as P), Total 7723-14-0		X												
m. Radioactivity														
(1) Alpha, Total		X												
(2) Beta, Total		X												
(3) Radium Total		X												
(4) Radium, 226, Total		X												

Part B - Continued

1. POLLUTANT And CAS NO. (if available)	2. MARK "X" a. Believed Present	2. MARK "X" b. Believed Absent	3. EFFLUENT a. Maximum Daily Value (1) Concentration	3. EFFLUENT a. Maximum Daily Value (2) Mass	3. EFFLUENT b. Maximum 30-Day Value (if available) (1) Concentration	3. EFFLUENT b. Maximum 30-Day Value (if available) (2) Mass	3. EFFLUENT c. Long-Term Avg. Value (if available) (1) Concentration	3. EFFLUENT c. Long-Term Avg. Value (if available) (2) Mass	3. EFFLUENT d. No. of Analyses	4. UNITS a. Concentration	4. UNITS b. Mass	5. INTAKE (optional) a. Long-Term Avg. Value (1) Concentration	5. INTAKE (optional) a. Long-Term Avg. Value (2) Mass	5. INTAKE (optional) b. No. of Analyses
n. Sulfate (as SO_4) (14808-79-8)		X							1	120 Mg/L				
o. Sulfide (as S)		X												
p. Sulfite (as SO_4) (14286-46-3)		X												
q. Surfactants		X												
r. Aluminum, Total (7429-90)		X												
s. Barium, Total (7440-39-3)		X												
t. Boron, Total (7440-42-8)		X												
u. Cobalt, Total (7440-48-4)		X												
v. Iron, Total (7439-89-6)	X								1	0.45 Mg/L				
w. Magnesium Total (7439-96-4)		X												
x. Molybdenum Total (7439-98-7)		X												
y. Manganese, Total (7439-96-6)	X								1	0.16 Mg/L				
z. Tin, Total (7440-31-5)		X												
aa. Titanium, Total (7440-32-6)		X												

Part C – If you are a primary industry and this outfall contains process wastewater, refer to Table C-2 in the instructions to determine which of the GC/MS fractions you must test for. Mark "X" in the **Testing Required** column for all such GC/MS fractions that apply to your industry and for ALL toxic metals, cyanides, and total phenols. If you are not required to mark this column (secondary industries, nonprocess wastewater outfalls, and non-required GC/MS fractions), mark "X" in the **Believed Present** column for each pollutant you know or have reason to believe is present. Mark "X: in the **Believed Absent** column for each pollutant you believe to be absent. If you mark either the **Testing Required** or **Believed Present** columns for any pollutant, you must provide the result of at least one analysis for that pollutant. Note that there are seven pages to this part; please review each carefully. Complete one table (all seven pages) for each outfall. See instructions for additional details and requirements.

1. POLLUTANT And CAS NO. (if available)	2. MARK "X"			3. EFFLUENT							4. UNITS		5. INTAKE (optional)		
	a. Testing Required	a. Believed Present	b. Believed Absent	a. Maximum Daily Value (1) Concentration	a. Maximum Daily Value (2) Mass	b. Maximum 30-Day Value (if available) (1) Concentration	b. Maximum 30-Day Value (if available) (2) Mass	c. Long-Term Avg. Value (if available) (1) Concentration	c. Long-Term Avg. Value (if available) (2) Mass	d. No. of Analyses	a. Concentration	b. Mass	a. Long-Term Avg Value (1) Concentration	a. Long-Term Avg Value (2) Mass	b. No. of Analyses
METALS, CYANIDE AND TOTAL PHENOLS															
1M. Antimony Total (7440-36-0)	X									1	0.004 Mg/L				
2M. Arsenic, Total (7440-38-2)	X									1	0.001 Mg/L				
3M. Beryllium Total (7440-41-7)	X									1	0.002 Mg/L				
4M. Cadmium Total (7440-43-9)	X									1	0.004 Mg/L				
5M. Chromium Total (7440-43-9)	X									1	0.002 Mg/L				
6M. Copper Total (7550-50-8)	X									1	0.02 Mg/L				
7M. Lead Total (7439-92-1)	X									1	0.001 Mg/L				
8M. Mercury Total (7439-97-6)	X									1	0.0001 Mg/L				
9M. Nickel, Total (7440-02-0)	X									1	0.01 Mg/L				
10M. Selenium, Total (7782-49-2)	X									1	0.003 Mg/L				
11M. Silver, Total (7440-28-0)	X									1	0.01 Mg/L				

Part C – Continued

1. POLLUTANT And CAS NO. (if available)	2. MARK "X" a. Testing Required	a. Believed Present	b. Believed Absent	3. EFFLUENT a. Maximum Daily Value (1) Concentration	(2) Mass	b. Maximum 30-Day Value (if available) (1) Concentration	(2) Mass	c. Long-Term Avg. Value (if available) (1) Concentration	(2) Mass	d. No. of Analyses	4. UNITS a. Concentration	b. Mass	5. INTAKE (optional) a. Long-Term Avg Value (1) Concentration	(2) Mass	b. No. of Analyses
METALS, CYANIDE AND TOTAL PHENOLS (Continued)															
12M. Thallium, Total (7440-28-0)	X									1	0.01 Mg/L				
13M. Zinc, Total (7440-66-6)	X									1	0.005 Mg/L				
14M. Cyanide, Total (57-12-5)	X									1	0.01 Mg/L				
15M. Phenols, Total	X									1	0.02 Mg/L				
DIOXIN															
2,3,7,8 Tetra-chlorodibenzo, P, Dioxin (1784-01-6)			X	DESCRIBE RESULTS:											
GC/MS FRACTION – VOLATILE COMPOUNDS															
1V. Acrolein (107-02-8)			X												
2V. Acrylonitrile (107-13-1)			X												
3V. Benzene (71-43-2)			X												
5V. Bromoform (75-25-2)			X												
6V. Carbon Tetrachloride (56-23-5)			X												
7V. Chloro-benzene (108-90-7)			X												
8V. Chlorodibro-momethane (124-48-1)			X												

V. INTAKE AND EFFLUENT CHARACTERISTICS

A, B, & C: See instructions before proceeding – Complete one set of tables for each outfall – Annotate the outfall number in the space provided.
NOTE: Tables V-A, V-B, and V-C are included on separate sheets numbered 5-18.

D. Use the space below to list any of the pollutants (refer to SARA Title III, Section 313) listed in Table C-3 of the instructions, which you know or have reason to believe is discharged or may be discharged from any outfall. For every pollutant you list, briefly describe the reasons you believe it to be present and report any analytical data in your possession.

POLLUTANT	SOURCE	POLLUTANT	SOURCE
N/A None			

VI. POTENTIAL DISCHARGES NOT COVERED BY ANALYSIS

A. Is any pollutant listed in Item V-C a substance or a component of a substance which you use or produce, or expect to use or produce over the next 5 years as an immediate or final product or byproduct?

☐ Yes (List all such pollutants below) ☒ No (Go to Item VI-B)

N/A

B. Are your operations such that your raw materials, processes, or products can reasonably be expected to vary so that your discharge of pollutants may during the next 5 years exceed two times the maximum values reported in Item V?

☐ Yes (Complete Item VI-C) ☐ No (Go to Item VII)

C. If you answered "Yes" to Item VI-B, explain below and describe in detail to the best of your ability at this time the sources and expected levels of such pollutants which you anticipate will be discharged from each outfall over the next 5 years. Continue on additional sheets if you need more space.

N/A

VII. BIOLOGICAL TOXICITY TESTING DATA

Do you have any knowledge of or reason to believe that any biological test for acute or chronic toxicity has been made on any of your discharges or on a receiving water in relation to your discharge within the last 3 years?

☐ Yes (Identify the test(s) and describe their purposes below) ☒ No (Go to Section VIII)

VIII. CONTRACT ANALYSIS INFORMATION

Were any of the analyses reported in Item V performed by a contract laboratory or consulting firm?

☐ Yes (list the name, address, and telephone number of, and pollutants analyzed by each such laboratory or firm below) ☒ No (Go to Section IX)

NAME	ADDRESS	TELEPHONE (Area code & number)	POLLUTANTS ANALYZED (list)
Technical Water Laboratories	P.O. Box 309 Bledsoe, KY. 40810	(606) 558-5079	Total Suspended Solids Flow, Hardness, Iron, Manganese, Antimony, Arsenic, Beryllium, Cadmium, Chromium, Copper, Lead, Mercury, Nickel, Selenium, Silver, Thallium, Zinc, Cyanide, Phenols

IX. CERTIFICATION

I certify under penalty of law that this document and all attachments were prepared under my direction or supervision in accordance with a system designed to assure that qualified personnel properly gather and evaluate the information submitted. Based on my inquiry of the person or persons who manage the system, or those persons directly responsible for gathering the information, the information submitted is, to the best of my knowledge and belief, true, accurate, and complete. I am aware that there are significant penalties for submitting false information, including the possibility of fine and imprisonment for knowing violations.

NAME AND OFFICIAL TITLE (type or print):	TELEPHONE NUMBER (area code and number):
Stephen Hamilton	502-348-0084
SIGNATURE Stephen Hamilton	DATE 12/19/2007